

**BANDAI NAMCO Group
Information Meeting
Fiscal Year Ending March 2021
1st Half Result Presentation**



FY2021.3 1st Half Results

1st Half Results

	FY 2020.3 1st Half Results	FY 2021.3 1st Half Forecast (as of Aug. 2020)	FY 2021.3 1st Half Results	Vs. previous year's results	Vs. previous forecast
Net Sales	349.3	315.0	337.1	-12.2	+22.1
Operating Profit	47.9	30.0	45.9	-2.0	+15.9
Recurring Profit	48.7	30.5	47.1	-1.6	+16.6
Profit Attributable to Owners of Parent	34.6	20.0	31.7	-2.9	+11.7
Capital Investments	13.3	11.0	10.6	-2.7	-0.4
Depreciation	9.7	10.0	9.7	± 0	-0.3
Game content R&D investments	39.3	41.0	40.6	+1.3	-0.4
Advertising Expenses	20.0	19.0	14.7	-5.3	-4.3
Personnel Expenses	30.9	29.0	32.6	+1.7	+3.6

Overview by Business Segment

1st Half Results by Business Segment

		FY 2020.3 1st Half Results	FY 2021.3 1st Half Forecast (as of Aug. 2020)	FY 2021.3 1st Half Results	Vs. previous year's results	Vs. previous forecast
Toys and Hobby	Segment sales	128.0	120.0	128.8	+0.8	+8.8
	Segment profit	17.6	13.0	18.8	+1.2	+5.8
Network Entertainment	Segment sales	153.0	160.0	170.2	+17.2	+10.2
	Segment profit	24.9	28.0	34.7	+9.8	+6.7
Real Entertainment	Segment sales	46.8	25.0	24.3	-22.5	-0.7
	Segment profit	1.5	-9.0	-8.0	-9.5	+1.0
Visual and Music Production	Segment sales	20.7	10.0	11.0	-9.7	+1.0
	Segment profit	3.8	0	0.8	-3.0	+0.8
IP Creation	Segment sales	7.8	10.0	9.5	+1.7	-0.5
	Segment profit	2.2	1.0	1.9	-0.3	+0.9
Other	Segment sales	15.3	14.0	15.7	+0.4	+1.7
	Segment profit	0.9	0.5	0.6	-0.3	+0.1
Elimination and Corporate	Segment sales	-22.5	-24.0	-22.6	-0.1	+1.4
	Segment profit	-3.1	-3.5	-2.9	+0.2	+0.6
Consolidated	Net sales	349.3	315.0	337.1	-12.2	+22.1
	Operating profit	47.9	30.0	45.9	-2.0	+15.9

billion yen

1st Half Overview by Business Segment

Toys and Hobby

Favorable performance of products for the mature fan base due to rapid measures to address digital transformation

Popularity of new IP products, such as *Demon Slayer: Kimetsu no Yaiba*, and toy-related products

Products sold at amusement facilities and products linked to TV programs were affected by COVID-19

→Overall, the Toys and Hobby business set a new record-high for first-half results

Network Entertainment

Network Content:

DRAGON BALL Z DOKKAN BATTLE did well overseas throughout the period due to anniversary events, etc.

Mainstay titles, including *DRAGON BALL Legends* and *THE IDOLM@STER* series, recorded favorable results

Home Video Games:

The new *Captain Tsubasa: Rise of New Champions* got off to a solid start

Repeat titles continued to record favorable results due to strong digital demand

Increase in full package download sales ratio

1st Half Overview by Business Segment

Real Entertainment

The closure of amusement facilities due to COVID-19 affected both amusement facility operations and amusement machine sales
In September, sales at existing facilities in Japan were down 21.7% year on year (Down 47.2% year on year in the first half)
Rapidly advancing measures aiming to build a corporate constitution that can generate earnings even in a challenging operating environment

Visual and Music Production

Packaged products: Rolling out music packaged products for established IP, such as the *Love Live!* series and *THE IDOLM@STER* series

Live events: Number of times events were held in the first half: 67 times (same period of the previous year: 397 times)
Implementing initiatives to address changes in the operating environment, such as streaming of events without customers in attendance at the physical venue

IP Creation

In the first half, we produced visual products scheduled for future launch and worked to create buzz about IP
The effect of COVID-19 on first-half results was limited
SOTSU CO., LTD., joined the Unit from this fiscal year

Full-Year Forecast

Variable factors in businesses

- Influence of COVID-19 on each business
- Dramatic changes in market environments and consumer preferences
- Trends in the busy Christmas and New Year selling season in the Toys and Hobby business
- Progress with development/sales schedules for home video games

The initial plan will not be revised at this point

It will be carefully reviewed in the future

	FY 2020.3 Results	FY 2021.3 Previous Forecast	Vs. Previous Year's Results	billion yen
Net sales	723.9	650.0	-73.9	
Operating profit	78.7	50.0	-28.7	

Topics for Each Business

Topics for Each Business

Toys and Hobby

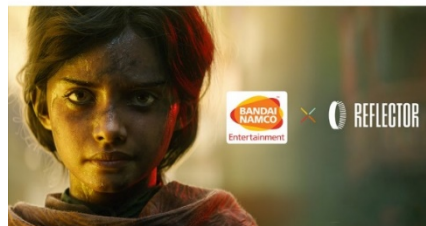
- ▶ In addition to established IP products, expanding our lineup of products for younger customers
- ▶ Strengthening initiatives on in-house and external e-commerce sites in Japan and overseas
- ▶ Expanding promotion of on-line events
- ▶ Implementing new initiatives for *Gundam* plastic models

TAMASHII
NATION
2020



Network Entertainment

- ▶ From this period, moving toward an organizational system in which management activities are centered on IP
- ▶ Aiming to launch high-quality titles



Topics for Each Business

Real Entertainment



- ▶ Highest priority is “building a corporate constitution that can generate earnings even in a challenging operating environment”
 - ▶ Promoting links between Group know-how and assets
- Example: Opening new capsule toy store facilities
- ⇒ This facility has 2,200 capsule toy vending machines, making it one of Japan's largest capsule toy facilities

Visual and Music Production

- ▶ Strengthening initiatives in the new live event business
- ▶ Successive launches of new animations



Topics for Each Business

IP Creation

- ▶ Starting roll-outs of new animations and new IP

Love Live! Nijigasaki High School Idol Club

Saikyo Kamizmode!

Aikatsu Planet!



GUNDAM FACTORY YOKOHAMA

- ▶ Opening in December
- ▶ 18-meter life-sized moving *Gundam*



Mid-term Vision

CHANGE *for the* **NEXT**

挑戰 成長 進化

EMPOWER

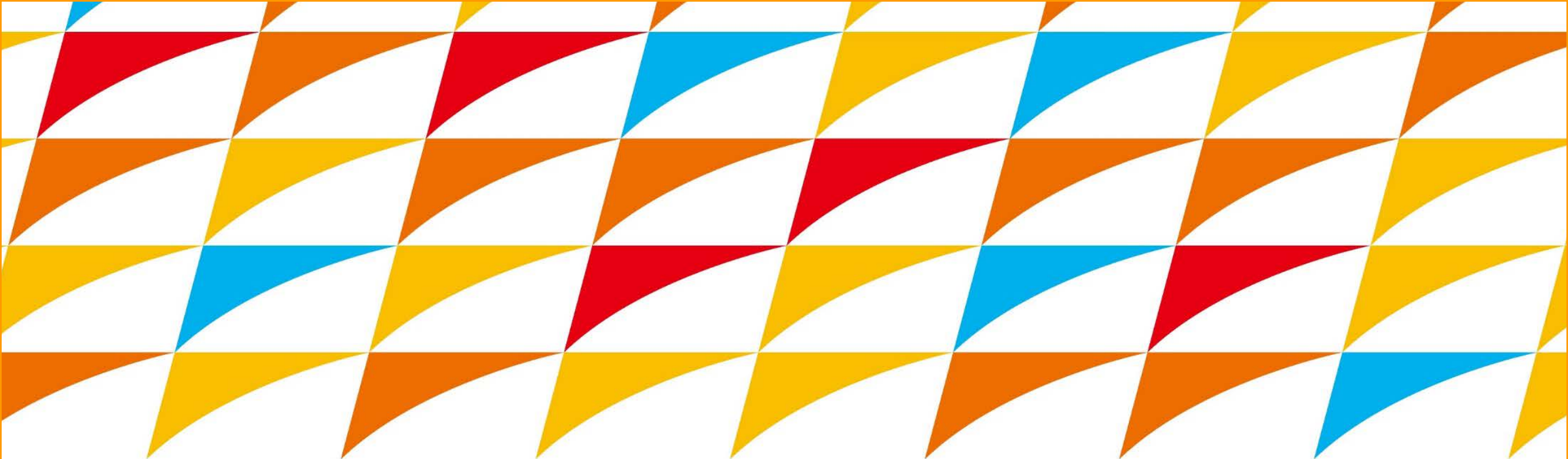
GAIN MOMENTUM

ACCELERATE EVOLUTION



Note on Projections

This document contains forward-looking statements and information related to the BANDAI NAMCO Group that are based on our knowledge as well as various assumptions made on the basis of information currently available. The words “forecast,” “plan,” “target,” “estimation,” “projection,” “intend,” “will” and similar expressions, as related to the Group, are intended to identify forward-looking statements and information. Actual results could differ materially from those projected in such forward-looking statements.



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